



INTERIM
REPORT
PER 06/30/2010

H1.10

KEY FIGURES OF SYZYGY AG

FIG. 1, PAGE 2/3

NET SALES AND EBIT MARGIN

IN EUR'000

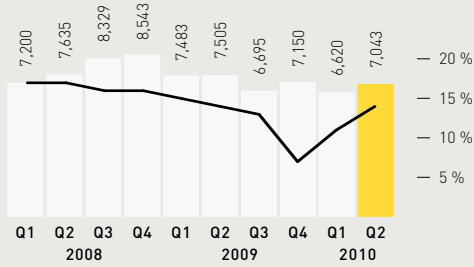


FIG. 2, PAGE 2/3

NET SALES AND EBIT MARGIN BY REGION

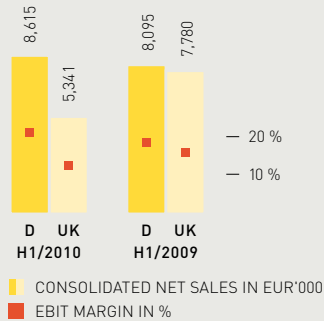


FIG. 3, PAGE 2

SALES ALLOCATION BY VERTICAL MARKETS

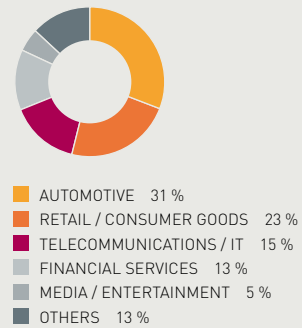


FIG. 4, PAGE 3

RATIO OF OPERATING INCOME TO FINANCIAL INCOME

IN EUR'000

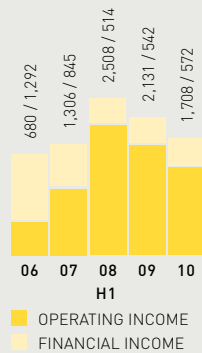


FIG. 5, PAGE 3

NET INCOME

IN EUR'000

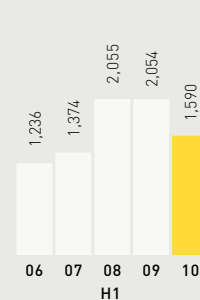


FIG. 6, PAGE 3
EARNINGS PER SHARE
 IN EUR

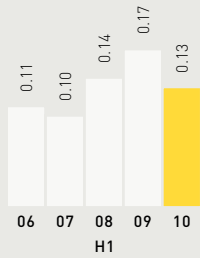


FIG. 7, PAGE 3
DEVELOPMENT OF OPERATING CASH FLOWS
 IN EUR'000

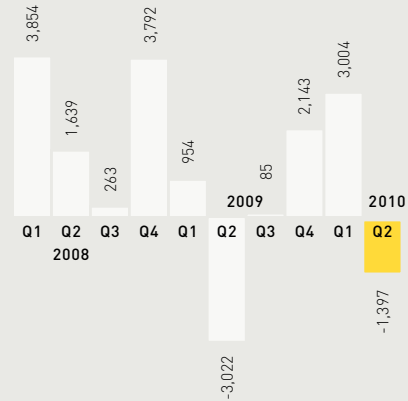


FIG. 8, PAGE 4
BALANCE SHEET STRUCTURE

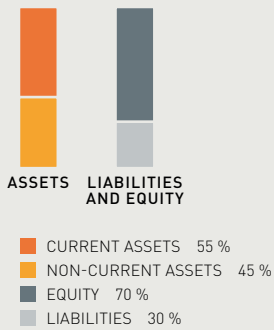


FIG. 9, PAGE 3
PORTFOLIO STRUCTURE OF CASH AND MARKETABLE SECURITIES

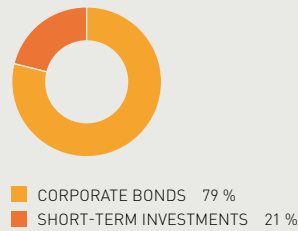


FIG. 10, PAGE 4
EMPLOYEES BY FUNCTION

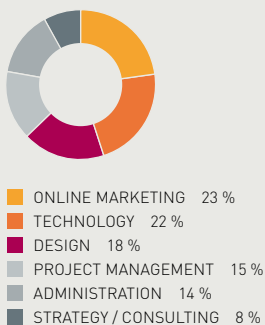
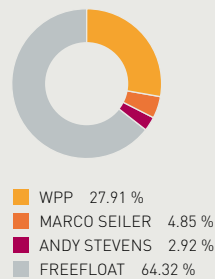


FIG. 11, PAGE 14
SHAREHOLDERS' STRUCTURE



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BUSINESS DEVELOPMENT AND MANAGEMENT REPORT



	2ND QUARTER			JANUARY-JUNE		
	2010	2009	PREV. YEAR	2010	2009	PREV. YEAR
	EUR'000	EUR'000		EUR'000	EUR'000	
Gross sales	21,202	20,540	3%	42,539	39,560	8%
Net sales	7,043	7,505	-6%	13,663	14,988	-9%
EBITDA	1,195	1,207	-1%	2,096	2,461	-15%
EBITDA margin	17%	16%	1pp	15%	16%	-1pp
EBIT	1,006	1,026	-2%	1,708	2,131	-20%
EBIT margin	14%	14%	-	13%	14%	-1pp
Financial Income	300	272	10%	572	542	6%
Net income	910	1,061	-14%	1,590	2,054	-23%
Earnings per share (EUR)	0.07	0.09	-22%	0.13	0.17	-24%
Employees (as per June 30)	238	268	-11%	238	268	-11%
Liquid assets	17,573	17,781	-1%	17,573	17,781	-1%
Operating cash flow	-1,397	-3,022	n.a.	1,607	-2,068	n.a.

BUSINESS ACTIVITY

Syzygy is an agency group for interactive marketing with branches in Frankfurt, Hamburg and London. With approximately 260 employees, the Group provides large European companies with high-quality services in the area of web design and online marketing.

MARKET ENVIRONMENT

Strong demand from foreign markets saw the eurozone economy continuing its modest upswing during the reporting period, largely unaffected by the debt crisis in several European countries. Real gross domestic product (GDP) rose by 0.2 per cent in the first three months of the year, increasing again in the second quarter by 0.5 per cent.

In Germany and the UK, the two core markets for the Syzygy Group, economic performance was in line with the average. While Germany's economic growth of 0.2 per cent exactly matched the European average in the first quarter of 2010, the particularly hard-hit UK exceeded this figure

slightly, at 0.3 per cent. According to estimates by the British Chambers of Commerce, the UK's GDP growth doubled to 0.6 per cent in the period from April to June.¹

The Syzygy Group was able to benefit from the tentative upturn, posting excellent operating income figures in the second quarter.

ONLINE ADVERTISING MARKET

There were signs that the international advertising market had turned the corner as the economy stabilised, aided by the advertising boost from the Football World Cup. The principal beneficiary was the Internet, which continued to increase its market share compared to other media. Media agency group Zenithoptimedia forecasts that the Internet will account for around 14 per cent of worldwide advertising spending in 2010, one per cent up on last year. Germany also experienced significantly higher advertising spending than in the crisis year 2009.

¹ Q2 figures for Germany were not yet available when this financial report was being prepared.

According to Nielsen advertising statistics, gross sales of conventional media – a category that for Nielsen now includes the Internet – advanced by some 9 per cent to EUR 11.6 billion in the first half of 2010. The German Online Marketing Group (OVK, part of the German Association for the Digital Economy (BVDW)), whose forecasts include search engine marketing and affiliate marketing in addition to banner advertising, expects a 13.5 per cent rise in gross spending on Internet advertising to EUR 4.7 billion in 2010. In the UK, the Advertising Association predicts growth of 3.3 per cent for the overall advertising market in 2010, with the Internet up 9.2 per cent, putting it in third place after outdoor advertising and TV. The estimate by market research institute emarketer of a 7 per cent rise in online advertising to around GBP 3.8 billion is somewhat more conservative.

Online advertising thus demonstrated its resilience in times of crisis in the first half of 2010. It remains a growth market capable of attracting increasing levels of advertising spend, both in absolute and in relative terms.

SALES

Syzygy AG reports gross and net sales. The gross figures include the media costs of the online marketing subsidiaries (billings).

Over the six-month period, gross sales increased by 8 per cent to EUR 42.5 million. Important new clients gained by unquedigital Hamburg had a positive impact, including online fashion store yalook and gaming portal king.com.

After deducting media costs of EUR 28.8 million, net sales of EUR 13.7 million remained, corresponding to a fall of 9 per cent over the prior-year period. The result was negatively affected by a decline in design & build work in the UK.

The Syzygy Group generated 65 per cent of its sales with its ten largest customers, 2 percentage points more than in the first half of 2009.

In terms of sales breakdown by sector, the share accounted for by the automotive industry dropped slightly to 31 per cent. The retail and consumer goods sector was the second most important area at 23 per cent, followed by telecommunications / IT (15%) and financial services (13%). Media & entertainment made up 5 per cent of sales, while 13 per cent did not fall into any of these five core areas.

SEGMENT REPORTING

In accordance with application of the revised IFRS 8, Syzygy AG reports in line with the Group's management approach and thus uses geographical criteria.

In Germany the business areas design & build and online marketing both performed very well. Due to the high level of profitability, a rise in net sales to EUR 8.6 million (+ 6%) resulted in EBIT of EUR 1.8 million, corresponding to growth of 17 per cent and an EBIT margin of 21 per cent. Key factors were the above-mentioned acquisition of new clients yalook and king.com, as well as expansion of business with existing clients.

In contrast, the UK companies' performance was less satisfactory. It has so far not proved possible to compensate for lost sales at Syzygy UK by acquiring new clients.

UK online marketing sales also declined significantly after major clients slashed their budgets. As a consequence, net sales of EUR 5.3 million were almost a third below the prior-year figure, while operating income fell 46 per cent to EUR 656,000 as at 30 June. Although the resulting EBIT margin of 12 per cent was four percentage points below the previous year's level, it remains within an acceptable range.

OPERATING EXPENSES AND FIXED-ASSET DEPRECIATION

Higher margins in the German companies and a reduction in the cost of sales by around one tenth to EUR 9.3 million resulted in an improvement of the gross margin to 32 per cent.

At EUR 1.6 million, general administrative expenses remained at the previous year's level, while depreciation increased from EUR 330,000 to EUR 388,000.

OPERATING INCOME (EBIT) / EBIT MARGIN

Following a weak first quarter, operating income was EUR 1.7 million for the first half of the year, down 20 per cent on the previous year. Viewed in isolation, second quarter performance was much healthier and fell only slightly short of the second quarter of 2009 (-2%), with EBIT reaching EUR 1.0 million.

Profitability remained very satisfactory in the reporting period, with an EBIT margin of 13 per cent.

LIQUID FUNDS AND SECURITIES / FINANCIAL INCOME

Liquid funds and securities declined by 14 per cent to EUR 17.6 million compared with 31 December 2009. This was due to cash outflows totalling EUR 5.3 million which were not fully offset by positive cash flow.

The cash outflows are due to distribution of the ordinary dividend in May 2010 and earn-out payments relating to the acquisition of unquedigital UK. Half of these payments were made in shares and half in cash.

Financial income of EUR 572,000 was generated from average available liquid funds and securities, corresponding to an annualised return of 5.6 per cent. As at the reporting date, investments had an average residual maturity of 5.3 years and comprised 79 per cent corporate bonds plus 21 per cent bank and overnight deposits.

NET INCOME, INCOME TAXES, EARNINGS PER SHARE

The strong second quarter with EBIT at the prior-year level and very good financial income was not enough to fully offset the weakness of the first quarter. Tax charges of EUR 690,000 (+ 11%) also had a negative impact on results in the reporting period. Overall, the Syzygy Group generated total net income of EUR 1.6 million in the first six months of the year, 23 per cent down on H1 2009. This represents earnings per share of EUR 0.13, a figure which takes account of the 750,000 new shares issued to former shareholders of unquedigital UK as part of the earn-out arrangement.

OPERATING CASH FLOW

Operating cash flow was EUR 1.6 million as at the balance sheet date. It was affected by two contrary factors:

A reduction in the level of receivables at unique-digital UK had a positive impact, in addition to total net income for the Group (EUR 1.6 million) and advance payments received (EUR 0.5 million). This level of receivables arose during the busy Christmas period in 2009 and was reduced by EUR 3.7 million over the reporting period. In parallel, unique-digital met obligations to marketers and other business partners amounting to EUR 4.8 million, which had a negative effect on cash flow.

NET ASSETS AND BALANCE SHEET POSITION

At EUR 55.3 million, total assets of Syzygy AG fell by 10 per cent compared to year-end 2009. On the assets side of the balance sheet, around half of this drop is due to the reduction in accounts receivable (EUR -3.3 million). In addition, earn-out payments and distribution of the ordinary dividend led to a EUR 3 million reduction in liquid funds and securities.

On the liabilities side, the decline in total assets is primarily attributable to changes in current liabilities and provisions. Accounts payable fell by EUR 5.4 million or 44 per cent to EUR 7 million. As earn-out payments were made, other liabilities also decreased significantly by EUR 5.3 million to EUR 728,000.

In contrast, equity capital was boosted by the issue of 750,000 new shares as part of the earn-out. As a consequence, common stock increased to EUR 12.8 million, while the equity ratio improved compared to the first half of 2009 by 6 percentage points to 70 per cent.

INVESTMENTS, RESEARCH AND DEVELOPMENT

Investment in the period under review totalled EUR 181,000 and was thus 50 per cent below the previous year's figure. Investments primarily related to software and hardware for optimisation of the Company's internal infrastructure and providing equipment for employees.

As a service provider that does not offer any products of its own, Syzygy does not engage in research and development.

EMPLOYEES

The Syzygy Group had 238 permanent employees as at the balance sheet date, 13 per cent fewer than at 30 June 2009. The three German companies employed 155 persons, while the London agencies accounted for 83. In addition, the Group used an average of 20 freelance employees to cover peak periods and optimise capacity utilisation.

In terms of employees by function, there were only minor changes compared to the previous year: technology-related roles and online marketing continued to account for the majority of employees, at 22 and 23 per cent respectively. Design accounted for 18 per cent, 15 per cent worked in project management and 8 per cent in strategy consulting. 14 per cent of employees were employed in administration.

Projected onto the full year and including freelance employees, annualised sales per head were EUR 109,000.

OUTLOOK AND FORECAST

Although sentiment among managers was good at mid-year, the ifo Institute expects the eurozone's economic recovery to flatten off in the second half of 2010. Withdrawal of fiscal policy stimulus, continuing credit tightness and ongoing uncertainty in financial markets were cited as the main adverse factors.

The financial experts at the Center for European Economic Research (ZEW) expect that the growth being experienced by the German and UK economies will suffer setbacks in the course of the year.

Having said that, the economic and financial crisis has thus far not significantly impacted the growing importance of the Internet as an advertising medium. While the steep growth curve of recent years has levelled off, a steady flow of new technological possibilities, rising user numbers and longer periods of usage are fuelling sustained growth. Media agency group Zenithoptimedia expects online advertising to rise three per cent to 17 per cent as a share of global ad spending by 2012.

Driven by the rapidly growing popularity of social networks, more and more people are making the Internet part of their daily lives. In March, social web leader Facebook overtook search-engine giant Google for the first time in the battle for US market share. In the UK, social networks also attracted more traffic than search engines last May.

This trend is being boosted by technological progress in mobile devices such as smartphones and netbooks which enable access to the Internet at almost any time and place. Additionally, data transfer costs are falling all the time. According to the German Association for Information Technology, Telecommunications and New Media (BITKOM), one in four Internet users in Germany go online via a mobile platform at least part of the time.

This has opened up a further attractive growth market: developing application programs for mobile devices. These "apps" can be downloaded free or for a charge. The app store for the iPhone alone offers more than 200,000 applications covering virtually every requirement and topic. As part of their digital marketing strategy, apps offer companies almost endless opportunities for contacting customers and staying in touch to boost sales or build their reputation.

For advertisers, the digital world is both appealing and challenging – not only because of its sheer size and constantly advancing technology, but also its high level of momentum and complex rules.

The Syzygy Group see itself well positioned to help blue-chip companies master these challenges in a professional manner and monetize the opportunities offered by the Internet.

For the second half of 2010, Syzygy expects an improvement of sales and significant growth in the operating income as compared to H1-2010.

CONSOLIDATED BALANCE SHEET

ASSETS	06/30/2010	06/30/2009	12/31/2009
	EUR'000	EUR'000	EUR'000
Non-current assets			
Goodwill	19,691	18,611	19,249
Fixed assets, net	1,975	2,149	2,182
Other non-current assets	507	485	462
Other non-current securities	2,599	0	2,578
Deferred tax assets	68	103	68
Total non-current assets	24,840	21,348	24,539
Current assets			
Cash and cash equivalents	3,634	4,005	5,747
Marketable securities	11,340	13,776	12,211
Accounts receivable, net	13,416	11,387	16,788
Prepaid expenses and other current assets	2,111	2,494	2,430
Total current assets	30,501	31,662	37,176
Total assets	55,341	53,010	61,715

EQUITY AND LIABILITIES	06/30/2010	06/30/2009	12/31/2009
	EUR'000	EUR'000	EUR'000
Equity			
Common stock*	12,828	12,078	12,078
Additional paid-in capital	20,207	18,385	18,385
Own shares	-116	-116	-116
Accumulated other comprehensive income	-1,609	-3,469	-2,936
Retained earnings	7,473	7,167	8,444
Total Equity	38,783	34,045	35,855
Non-current liabilities			
Deferred tax liabilities	67	139	67
Long term liability	1,226	1,226	1,226
Total non-current liabilities	1,293	1,365	1,293
Current liabilities			
Accounts payable	7,006	7,019	12,450
Accrued expenses	2,557	2,858	1,838
Customer advances	2,196	1,347	1,721
Tax accruals and liabilities	2,778	962	2,545
Other current liabilities	728	5,414	6,013
Total current liabilities	15,265	17,600	24,567
Total liabilities and equity	55,341	53,010	61,715

* Contingent Capital EUR'000 1,200 (Prior year: EUR'000 1,200). The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF INCOME AND ACCUMULATED EARN



	2. QUARTER			JANUARY - JUNE		
	2010	2009	PREV. YEAR	2010	2009	PREV. YEAR
	EUR'000	EUR'000		EUR'000	EUR'000	
Gross sales	21,202	20,540	3%	42,539	39,560	8%
Media costs	-14,159	-11,515	23%	-28,876	-24,572	18%
Net sales	7,043	7,505	-6%	13,663	14,988	-9%
Cost of revenues	-4,763	-5,247	-9%	-9,346	-10,360	-10%
Sales and marketing expenses	-513	-544	-6%	-1,119	-1,032	8%
General and administrative expenses	-815	-795	3%	-1,639	-1,612	2%
Other operating income/expense, net	54	107	-50%	149	147	1%
Operating profit	1,006	1,026	-2%	1,708	2,131	-20%
Financial income, net	300	272	10%	572	542	6%
Income before taxes	1,306	1,298	1%	2,280	2,673	-15%
Income taxes	-396	-237	67%	-690	-619	11%
Net income	910	1,061	-14%	1,590	2,054	-23%
Income share to shareholders of Syzygy AG	910	1,061	-14%	1,590	2,054	-23%
Earnings per share from total operations (basic in EUR)	0.07	0.09	-22%	0.13	0.17	-24%
Period net income	910	1,061	-14%	1,590	2,054	-23%
Currency translation adjustment	1,288	1,022	26%	1,273	1,173	9%
Net unrealized gains / losses on mark. sec.	-291	700	n.a.	54	740	-93%
Other comprehensive income	997	1,722	-42%	1,327	1,913	-31%
Comprehensive income	1,907	2,783	-31%	2,917	3,967	-26%

The accompanying notes are an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

	06/30/2010	06/30/2009	12/31/2009
	EUR'000	EUR'000	EUR'000
Period net income	1,590	2,054	3,331
Adjustments to reconcile income from continuing operations to net cash provided by operating activities			
- Depreciation on fixed assets	388	330	710
Changes in operating assets and liabilities:			
- Accounts receivable and other assets	3,691	-125	-5,414
- Customer advances	475	-806	-432
- Accounts payable and other liabilities	-4,770	-1,253	2,498
- Tax accruals and payables, deferred taxes	233	-2,268	-533
Cash flows provided by operating activities	1,607	-2,068	160
Proceeds from sale of fixed assets	44	1	5
Changes in other non-current assets	-110	-50	-26
Investments in fixed assets	-181	-377	-6,127
Purchases of marketable securities	-10,784	2,700	-5,515
Proceeds from sale of marketable securities	11,655	0	8,061
Acquisition of consolidated companies	-5,240	-5,560	0
Cash flows used in investing activities	-4,616	-3,286	-3,602
Capital increase	2,572	0	0
Dividend	-2,561	-1,808	-1,808
Cash flows from financing activities	11	-1,808	-1,808
Total	-2,998	-7,162	-5,250
Cash and cash equivalents at the beginning of the year	5,747	10,991	10,991
Exchange rate differences	885	1,429	6
Cash and cash equivalents at the end of the year	3,634	5,258	5,747

The accompanying notes are an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY



	NUMBER OF SHARES	COMMON STOCK	ADDITIONAL PAID-IN CAPITAL	OWN SHARES	RETAINED EARNINGS	ACCUM. OTHER COMPREHENSIVE INCOME		TOTAL EQUITY
	IN 1,000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000	EUR'000
January 01, 2009	12,078	12,078	18,385	-116	6,921	-2,925	-2,457	31,886
Comprehensive income					3,331	334	2,112	5,777
Dividend					-1,808			-1,808
Minority interest								0
December 31, 2009	12,078	12,078	18,385	-116	8,444	-2,591	-345	35,855
January 01, 2010	12,078	12,078	18,385	-116	8,444	-2,591	-345	35,855
Comprehensive income					1,590	1,273	54	2,917
Dividend					-2,561			-2,561
Increase of capital	750,45	750	1,822					
June 30, 2010	12,828	12,828	20,207	-116	7,473	-1,318	-291	38,783

The accompanying notes are an integral part of the financial statements.

SELECTED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

ACCOUNTING PRINCIPLES

In accordance with §37 y i.c.w. §37 w (2) of the Security Trading Act (Wertpapierhandelsgesetz – WpHG), Syzygy's half-year report comprises the interim consolidated financial statements of Syzygy AG for the first six months of 2010, an interim management report as well as the responsibility statement according to §297 (2) sentence 4, §315 (1) sentence 6 German Commercial Code (Handelsgesetzbuch – HGB). The unaudited consolidated financial statements of Syzygy AG have been prepared in accordance with the International Financial Reporting Standards (IFRS) as they have to be applied within the European Union.

The interim financial statements have been set up considering the rules of IAS 34. Accordingly, a reduced reporting has been chosen compared to the annual report 2009. The management report has been prepared under the applicable rules of WpHG.

The same accounting and consolidation principles were applied as described in the notes to the financial statements in the 2009 annual report. Individual items in the balance sheet and income statement are likewise presented using the same valuation principles as described and applied in the annual report 2009. These financial figures and the associated information must therefore be read in conjunction with the annual report 2009. The interim financial statements have not been audited according to § 37 w (5) WpHG.

BUSINESS ACTIVITY OF THE SYZYGY GROUP

Syzygy is a European agency group for interactive marketing. The five operating companies in the Syzygy Group with offices in Germany and the UK offer large European companies a comprehensive range of services from strategic consulting to project planning, concepts, design and technical realisation. Syzygy's services are complemented by search engine marketing and online media planning. Syzygy thus enables its clients to use the Internet both as a powerful communications and sales medium and as a tool for extending and improving their interaction with customers, business partners and employees.

SCOPE OF CONSOLIDATION AND PRINCIPLES

As at June 30, 2010, the following subsidiaries were included in the consolidated financial statements of Syzygy AG and fully consolidated:

- (1) Hi-ReS! London Ltd, UK
- (2) Mediopoly Ltd, UK
- (3) Syzygy Deutschland GmbH, Germany
- (4) Syzygy UK Ltd, UK
- (5) unikedigital GmbH, Germany
- (6) Unique Digital Marketing Ltd, UK

Information on general consolidation principles is provided in the 2009 annual report from page 49f.

EQUITY

As of May 20, 2010, common stock increased by EUR 750,000 to EUR 12,828,450. Common stock now comprises 12,828,450 no-par value bearer shares. These shares have a stated value of EUR 1.00; 25,000 of them belonged to treasury stock.

AUTHORISED AND CONTINGENT CAPITAL

At the Annual General Meeting on June 30, 2006, the resolution regarding a possible increase in common stock was renewed. Accordingly, the Management Board is authorised, subject to the approval of the Supervisory Board, to issue additional ordinary no-par value bearer shares, which may be issued until the period ending June 30, 2011. Management Board and Supervisory Board exercised the right and decided on a capital increase of EUR 750,000. Authorised capital now totals EUR 5,250,000.

At the Annual General Meeting on May 29, 2009, the Management Board was authorised to issue a maximum of 1,200,000 additional shares (contingent capital) in connection with the employee stock-based compensation plan. As in the previous year, no options were exercised in the first half of 2010. There were no share options as at the reporting date.

ADDITIONAL PAID-IN CAPITAL

Due to the capital increase, additional paid-in capital rose to EUR 1,822,000 as the new shares were issued at market value. According to §297 (2) German Commercial Code (HGB), the amount exceeding the stated value of EUR 1.00 is recorded as agio in additional paid-in capital.

TREASURY STOCK

On May 28, 2010, the Annual General Meeting authorised the Management Board to acquire a maximum of 10 per cent of the Company's outstanding shares until November 27, 2015. Treasury shares do not entitle the Company to any dividend or voting rights. The Company is authorised to resell or call in treasury shares, to offer them to employees of the Company as compensation, or to offer treasury shares to third parties in the course of acquiring companies. As of June 30, 2010, Syzygy held 25,000 treasury shares.

OTHER NET INCOME

In the first half of 2010, other comprehensive income summarised under "Other net income" amounted to EUR 1,327,000 (as of December 31, 2009: EUR 2,446,000). It can be attributed mainly to gains from currency translation (EUR 1,273,000) and unrealised gains from securities (EUR 54,000).

RETAINED EARNINGS

Dividend distributions are based on the distributable equity disclosed in the annual financial statements of Syzygy AG according to HGB (German Commercial Code). On May 28, 2010, the Annual General Meeting approved a dividend of EUR 0.20 per share, which was distributed on May 31, 2010, with retained earnings of EUR 6,320,000 being carried forward to new account. As of June 30, 2010, the consolidated financial statements of the Group showed retained earnings of EUR 7,473,000.

OTHER LIABILITIES

Other liabilities have been considerably reduced to EUR 728,000 (as of December 31, 2009: EUR 6,013,000) in the first half of 2010 as a result of the earn-out payment of Unique Digital Marketing. Nearly half of the purchase price was paid by issuing new shares whereas the remaining part was paid in cash.

SEGMENT REPORTING

Application of the revised IFRS 8 requires segment reporting in accordance with the Group's management approach. Syzygy thus bases segment reporting on geographical criteria.

As the holding company, Syzygy AG delivers services to the operating units and therefore needs to be considered separately. The UK segment consists of Syzygy UK Ltd, Unique Digital Marketing Ltd, Hi-ReS! London Ltd and Mediopoly Ltd. Germany comprises Syzygy Deutschland GmbH and unquedigital GmbH. The individual segments apply the same accounting principles as the consolidated entity.

The criteria used by Syzygy AG to assess the performance of the segments include sales and the operating income (EBIT). Transactions between segments, which are charged at market prices, were eliminated.

Segment assets are equivalent to total assets plus the goodwill attributable to the respective segment, less receivables attributable to companies in the same segment.

Segment investments comprise investments in intangible assets and fixed assets.

Segment liabilities correspond to total liabilities excluding equity and less liabilities attributable to companies in the same segment.

June 30, 2010

EUR'000	GERMANY	UNITED KINGDOM	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Gross sales	24,297	18,535	-293	42,539
Media costs	-15,682	-13,194	0	-28,876
Net sales	8,615	5,341	-293	13,663
Internal sales	25	0	0	25
Operating income (EBIT)	1,795	656	-743	1,708
Financial income	25	5	542	572
Net result for the period	1,818	382	-610	1,590
Assets	21,227	21,803	12,311	55,341
Of which goodwill	8,841	10,850	0	19,691
Investments	98	38	3	139
Depreciation and amortisation	267	117	4	388
Segment liabilities	10,145	6,290	123	16,558

June 30, 2009

EUR'000	GERMANY	UNITED KINGDOM	CENTRAL FUNCTIONS AND CONSOLIDATION	TOTAL
Gross sales	19,513	20,934	-887	39,560
Media costs	-11,418	-13,154	0	-24,572
Net sales	8,095	7,780	-887	14,988
Internal sales	0	0	0	0
Operating income (EBIT)	1,530	1,215	-614	2,131
Financial income	29	38	475	542
Net result for the period	1,317	876	-139	2,054
Assets	17,762	23,712	11,536	53,010
Of which goodwill	8,842	9,770	0	18,611
Investments	143	141	5	289
Depreciation and amortisation	212	112	8	330
Segment liabilities	7,180	12,675	-891	18,965

DIRECTORS' DEALINGS

Transactions in shares in their own organisation by board members of listed companies are called directors' dealings. In the period under review, no Syzygy shares were bought or sold by board members. Andrew Stevens received 375,000 shares at market price as a component of the earn-out-payment for Unique Digital Marketing.

Current holdings of shares and transactions carried out in the period under review are disclosed in the following tables:

Management Board

[Number of shares]	MARCO SEILER	FRANK WOLFRAM	ANDREW STEVENS	TOTAL
As at December 31, 2009	622,279	5,500	0	627,779
Purchases	0	0	375,000	375,000
Sales	0	0	0	0
As at June 30, 2010	622,279	5,500	375,000	1,002,779

Supervisory Board

[Number of shares]	MICHAEL MÄDEL	ADRIAAN RIETVELD	WILFRIED BEECK	TOTAL
As at December 31, 2009	0	10,000	120,000	130,000
Purchases	0	0	0	0
Sales	0	0	0	0
As at June 30, 2010	0	10,000	120,000	130,000

Neither the members of the Management Board nor of the Supervisory Board hold any options.

SHAREHOLDERS' STRUCTURE

As at June 30, 2010, the shareholders' structure did slightly change as compared to the year before. The WPP Group now holds 27.91 per cent, Marco Seiler 4.85 per cent and Andrew Stevens 2.92 per cent of Syzygy shares. The free float therefore amounts to 64.32 per cent. As at June 30, 2010, the total number of shares was 12,828,450.

**RESPONSIBILITY STATEMENT BY THE LEGAL
REPRESENTATIVES IN ACCORDANCE WITH
SECTION 37Y WPHG (GERMAN SECURITY TRADING
ACT) I.C.W. SECTION 37W(2) NO. 3 WPHG**

“To the best of our knowledge, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the group’s development and performance of its position, together with a description of the principal opportunities and risks associated with the expected development of the group in the remaining months of the financial year, in accordance with German proper accounting principles of interim consolidated reporting.”

Bad Homburg v. d. H., July 29, 2010
Syzygy AG

The Management Board



FINANCIAL CALENDAR 2010 OF SYZYGY AG



SMALL CAP CONFERENCE, FRANKFURT

August 30 – September 1, 2010

INTERIM REPORT AS PER 09/30/2010

October 29, 2010

GERMAN EQUITY FORUM, FRANKFURT

November 22-24, 2010

CAPITAL MARKET CONFERENCE, MUNICH

December 8, 2010

SYZYGY AG

Investor Relations

Im Atzelnest 3

61352 Bad Homburg

Phone +49 6172 9488 251

Fax +49 6172 9488 272

E-Mail ir@syzygy.net

syzygy.net

SYZYG.NET